At the meeting of the Public Service Commission of the State of Montana held at the Commission's Offices in Helena, Montana, on Thursday, February 26, 2004, the following members were present:

Bob Rowe, Chairman Thomas J. Schneider, Vice Chairman Matt Brainard, Commissioner Greg Jergeson, Commissioner Jay Stovall, Commissioner

APPEARANCE Leroy Beeby

(58) In the matter of Sprint Communications Company L.P. Montana - N2004.2.18: On February 5, 2004, Sprint Communications filed its 212th Revised Page 1. The purpose of the filing is to make corrections to the Sprint/Sheetz minute Prepaid PhoneCard Rates; make a textual change and make new PCS customers eligible for Sprint Unlimited at Home. Sprint is requesting a February 12, 2004 effective date.

Commissioner Stovall moved to approve Sprint's requests. Commissioner Brainard seconded the motion, which passed unanimously.

APPEARANCE Leroy Beeby

(59) In the matter of Central Montana Communications, Inc. - N2004.2.20: On February 6, 2004, Central Montana Communications filed tariffs to change the Local Network Access Line Service-Non-Recurring Charges to modify the Supplementary Service Additions/Charges to indicate that changing from one bundle to a lower cost bundle will result in a \$10.00 non-recurring charge; added Service Bundles-Monthly Recurring Charges to allow subscribers to receive a package of services for one price. Three bundles were created. The rate charged is dependent on whether the subscriber is residential or business and whether their exchange is in an EAS region; lowered its current monthly vacation rate from ½ the monthly rate to \$2.00 per month with a \$10 recurring charge; discontinued CLASS packages but grandfathers in those customers currently subscribing to one of the packages; deletes restriction of Changed Number Announcement for a maximum of 4 months.

Commissioner Jergeson moved to approve the tariffs. Commissioner Brainard seconded the motion, which passed unanimously.

APPEARANCE

Wayne Budt, Administrator Transportation & Centralized Services Division

(60) In the matter of the approval of Commission Minutes; Commissioner Stovall moved to approve the Commission Minutes for the week of February 17, 2004. Commissioner Schneider seconded the motion,

which passed unanimously.

APPEARANCE Monica Tranel

(61) In the matter of the Commission's discussion of QLD Protective Order - Docket No. D2002.12.153:

Commissioner Schneider moved to approve the protective order with qualification on the basis of a showing made compliant with the Great Falls Tribune decision; subject to modification should the Commission amend its rules during the time of this order. Commissioner Stovall seconded the motion, which passed unanimously.

APPEARANCE Monica Tranel

(62) In the matter of the Commission's discussion of Multiple Telecom carriers pending interconnection agreements:

Commissioner Rowe moved to approve the amendments to the existing interconnection agreements, and approving or denying the suggested modifications with the interconnection agreements as listed in the memo circulated by staff. Commissioner Stovall seconded the motion, which passed unanimously.

APPEARANCE Monica Tranel

(63) In the matter of the Commission's discussion of the Winback settlement - Docket No. D2000.2.21:

Commissioner Brainard moved to reconsider the Commission's previous decision in this matter. Commissioner Jergeson seconded the motion, which passed unanimously.

Commissioner Brainard moved to dedicate \$90,000.00 to Energy Share and the remaining \$10,000.00 to injured CLEC's. Commissioner Stovall seconded the motion, which passed 4-1. Commissioner Schneider dissented.

APPEARANCE Kim Moran, Martin Jacobson

(64) In the matter of the Commission's discussion of Blackfoot Telephone, W.MT Coalition, Ronan Telephone, Hot Springs Telephone (Dockets D2003.1.8, D2003.12.170, D2004.2.17, D2004.2.22 respectively) - Extended Area Service applications for the Missoula Region and Western Montana:

Commissioner Schneider moved to proceed with the procedural schedule in the Blackfoot docket, and to approve the community interest phase on Ronan and Hot Springs on an interim basis, allowing discovery to go forward and allowing 90 days for cost analysis and rate design commencing February 23, 2004. Commissioner Brainard seconded the motion, which passed unanimously.

APPEARANCE Mike Lee, Martin Jacobson (65) In the matter of the Commission's discussion of NWE Annual QF Avoided Cost motion for late intervention - Docket No. D2003.7.86:

Commissioner Schneider moved to approve the motion for late intervention. Commissioner Schneider also moved to identify renewable energy credits as an additional issue and to include noticing an extension to additional parties on the renewable credit issue. Commissioner Stovall seconded the motions, which passed unanimously.

APPEARANCE Marla Larson

(66) In the matter of the Commission's discussion of OMS' comments to FERC:

Commissioner Jergeson moved that the Commission approve of Montana's participation in the comments of the OMS filing in there FERC Interconnection Order. Commissioner Schneider seconded the motion, which passed unanimously.

APPEARANCE Will Rosquist

(67) In the matter of the Commission's discussion of NWE Electric Default Supply Resource Procurement Plan, possibility of hiring a consultant - Docket No. 2004.1.15:

Commissioner Jergeson moved to direct staff to prepare a draft RFP to be reviewed by the Commission. Commissioner Brainard seconded the motion, which passed 3-2. Commissioner Schneider and Commissioner Stovall dissented.

APPEARANCE Robin McHugh

(68) In the matter of the Commission's discussion of NWE Procedural Issues:

Commissioner Jergeson moved to issue the order establishing the procedural order as drafted. Commissioner Brainard seconded the motion.

Commissioner Schneider made a Substitute Motion to hold in abeyance the portfolio filing on the NW default supply plan and to incorporate that docket into the filings under either SB 247 or prudence filing in terms of inclusion of rates. Commissioner Stovall seconded the substitute motion, which failed 2-3. Commissioner Rowe, Commissioner Jergeson and Commissioner Brainard dissented.

The original motion made by Commissioner Jergeson passed with a vote of 3-2. Commissioner Schneider and Commissioner Stovall dissented.

APPEARANCE Wayne Budt, Administrator

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BOB ROWE, Chairman
THOMAS J. SCHNEIDER, Vice Chairman
MATT BRAINARD, Commissioner
GREG JERGESON, Commissioner
JAY STOVALL, Commissioner
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Minutes.....February 23, 2004 -- 1:30 p.m.